## ABSTRACT

A method of multiplexing a plurality of data flows into a single output using hierarchical gating operations instead of queues is disclosed. In the preferred embodiment, the hierarchical multiplexing method comprises sequentially processing a packet at each of a plurality of hierarchical levels by characterizing the flow at each hierarchical level and either passing or discarding the packet. The decision whether to pass or discard a packet is generally made for each packet at one or more hierarchical levels based on traffic parameters and the state of the system such as congestion. In the preferred embodiment, a Three Color Marker algorithm is used to characterize the flow and mark packets subjecting to the discard decision. The invention may be used by a router or multi-layer switch to process multiple data flows in a hierarchical fashion without hierarchical queues, thereby reducing processing and memory requirements.